

ORDER NO. 3626

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Acting Chairman;
Nanci E. Langley, Vice Chairman;
Mark Acton; and
Tony Hammond

Competitive Product Prices
Inbound Competitive Multi-Service Agreements with
Foreign Postal Operators 1

Docket No. CP2015-91

Hongkong Post – United States Postal Service
Bilateral Agreement (MC2010-34)
Negotiated Service Agreement

ORDER APPROVING MODIFICATION THREE TO AN INBOUND
COMPETITIVE MULTI-SERVICE AGREEMENTS WITH FOREIGN POSTAL
OPERATORS 1 NEGOTIATED SERVICE AGREEMENT

(Issued November 22, 2016)

The Postal Service seeks to modify an Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 negotiated service agreement.¹ For the reasons discussed below, the Commission approves Modification Three.

¹ Notice of the United States Postal Service of Filing Modification Three to the Hongkong Post - United States Postal Service Bilateral Agreement, November 21, 2016 (Notice). A copy of the executed modification is attached to the Notice as Attachment 1 (Modification Three).

In Order No. 2578, the Commission approved the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 negotiated service agreement (Existing Agreement).² A subsequent modification was approved in Order No. 3375 to extend the expiration date of the Existing Agreement until September 30, 2016.³ Order No. 3375 at 2. Another modification was approved in Order No. 3518 to extend the expiration date to December 31, 2016.⁴ Order No. 3518 at 2.

The Notice states that the Postal Service and Hongkong Post have signed Modification Three to extend the expiration date of the Existing Agreement, as modified, to March 31, 2017. Notice at 1. The Postal Service explains that extension of the Existing Agreement for three months will allow for the completion of negotiations on a successor contract and that the duration of the three-month extension would correspond with the parties' quarterly invoicing. *Id.* at 2. No other changes to the Existing Agreement are proposed. See *id.* Modification Three.

Modification Three does not affect the cost coverage or compliance with existing regulatory requirements for the Existing Agreement, and in the absence of harm to the public interest or prejudice to any party, the Commission approves Modification Three. The Existing Agreement is modified to continue through and will expire on March 31, 2017, unless terminated earlier pursuant to the terms of the agreement.

² See Order Approving Additional Foreign Postal Operators 1 Negotiated Service Agreement, July 10, 2015 (Order No. 2578).

³ See Order Approving Modification One to an Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, June 16, 2016 (Order No. 3375).

⁴ See Order Approving Modification Two to an Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, September 16, 2016 (Order No. 3518).

It is ordered:

1. The Commission approves the Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 negotiated service agreement, as modified.
2. The Postal Service shall notify the Commission if the Existing Agreement, as modified, terminates prior to the scheduled expiration date.

By the Commission.

Stacy L. Ruble
Secretary